

## DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814  
(916) 323-0284



July 6, 1981

ALL-COUNTY LETTER NO. 81-68

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: COUNTY WELFARE DEPARTMENT ADMINISTRATIVE EXPENSE CLAIM

REFERENCE:

This is to provide claiming instructions for the April-June 1980/81 quarter. Included are instructions related to: the AFDC/AFDC-FC Federal - Nonfederal programs, FMC 74-4 (A-87) adjustments, cost-of-living limitations of 1980, and late claiming.

The following claim forms are to be used for the April-June 1980/81 quarter claim and are being forwarded to the counties under separate cover.

Form	Revision Date	Form	Revision Date
DFA 325.1	7/78	DFA 327.7A	(optional)
DFA 325.1A	10/78	DFA 327.7B	(optional)
DFA 325.2	1/81	DFA 46	1/81
DFA 325.3	7/79	DFA 47	10/80
DFA 325.4	1/81	DFA 43	4/81
DFA 327.1	10/80	DFA 323	1/81
DFA 327.2	4/81	DFA 403	8/80
DFA 327.3	7/80	DFA 50	7/79
DFA 327.4	4/81	DFA 419	7/78
DFA 327.5	4/81	DFA 394	7/79
DFA 327.6	5/81	DFA 396	7/80
DFA 327.7	4/81		

AFDC/AFDC-FC DFA 327.4

Counties were notified in their individual January-March 1981 quarter administrative expenditure claim letters that the DFA 327.4, Modification A, has been revised to reflect the process that will be used to identify AFDC-FG/U and AFDC-FC costs that are subject to federal financial participation.

This change is a result of the Department of Health and Human Services (DHHS) refusal to continue to approve California's County Cost Allocation Plan. The federal proposal is to apply California's nonfederal persons count ratio to the

total costs of the AFDC programs. In response, the Department of Social Services (DSS) submitted a cost plan counter proposal to DHHS which excludes the "intake" staff and support costs from the application of the nonfederal ratio. Therefore, the county administrative claim has been revised to reflect the methodology proposed by this department.

Counties should be aware, however, that even though DHHS staff have indicated general concurrence, they have not officially approved this process. Counties will be notified of any future changes.

#### FMC 74-4 - Prior Year Adjustments

It has come to our attention that a number of counties have included various prior year adjustments and audit exceptions relating to FMC 74-4 (A-87) costs on their current quarter administrative claims. These plan adjustments are not to be offset in the current claiming cycle. The adjustments must be applied against the fiscal year claims to which they relate. Failure to recognize the appropriate adjustment year(s) may result in an overstatement of costs for one year and an understatement of the current fiscal year. This does not effect procedures for claiming legitimate roll-forward costs included in the county's cost plan. If the adjustments related to above require a revision of your countywide cost plan, please contact the office of the State Controller at (916) 445-7377.

#### Budget Act of 1980 - Cost-of-Living Limitation

All-County Letter No. 81-6, dated January 30, 1981, notified counties of the nine percent cost-of-living limitation contained in the Budget Act of 1980, Chapter 510, Item 312. This letter also provided counties with the methods that are to be used to adjust the administration expense claim and the time frames in which all necessary adjustments are to be submitted.

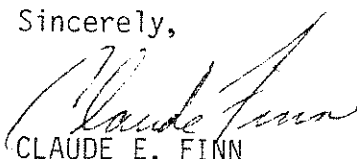
This is to remind the counties that these adjustments are to be submitted along with the April-June 1981 quarter claim.

#### Late Claiming

This is to remind counties that the administrative expense claim is due in this office by the 12th working day following the end of the reporting quarter. As the counties are aware, California received a fiscal sanction caused by the late reporting of Title IV-C (WIN) administrative costs. This was due in part by counties not submitting the administrative claim in a timely fashion. If for any reason the county finds that they cannot meet the due date, the county should notify this department at (916) 445-0290.

Any questions concerning this letter should be directed to your Fiscal Consultant at (916) 323-0270.

Sincerely,



CLAUDE E. FINN  
Deputy Director  
Administration

cc: CWDA